SCR141

LATE TESTIMONY

NEIL ABERCROMBIE GOVERNOR OF HAWAII





WILLIAM J. AILA, JR. CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

WILLIAM M. TAM

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENPORCEMENT
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HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621 HONOLULU, HAWAII 96809

Testimony of WILLIAM J. AILA, JR. Chairperson

Before the Senate Committees on WATER AND LAND and **AGRICULTURE**

Friday, March 21, 2014 1:00 P.M. **State Capitol, Conference Room 225**

In consideration of SENATE CONCURRENT RESOLUTION 141/SENATE RESOLUTION 77 REQUESTING THE DEPARTMENT OF LAND AND NATURAL RESOURCES TO DEFER LEASE PAYMENTS ON PASTURE LEASES FOR TWO YEARS TO AFFORD LEASEHOLDERS A REPRIEVE FROM DROUGHT CONDITIONS

Senate Concurrent Resolution 141/Senate Resolution 77 request the Department of Land and Natural Resources (Department) to defer lease payments on pasture leases for two years to give lessees relief from drought conditions. The Department appreciates the intent of these resolutions, but provides the following comments.

Under the statute governing the actions of the Board of Land and Natural Resources (Board), there is no provision authorizing the Board to defer rent payments for two years, or to suspend interest and late fees due on late rent payments. As a practical matter, when a lessee defaults on rent and the lease is taken to the Board for forfeiture, the Board sometimes grants the lessee additional time (usually 30-90 days) to cure the default, after which the lease will be terminated if the default is not cured. But the lessee is always held responsible for interest and late fees. Accordingly, the Department is concerned that the Board may not be able to comply with these resolutions if passed.

Thank you for the opportunity to testify.

¹ It is not clear from the resolutions whether the lessees would be excused from pay interest and late fees on deferred rental payments.

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Submitted on: 3/20/2014

Testimony for WTL/AGL on Mar 21, 2014 13:00PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Bob Farias	Farias Cattle Co.	Support	No

Comments:

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Submitted By	Organization	Testifier Position	Present at Hearing
Brian Miyamoto	Hawaii Farm Bureau	Support	Yes

Comments:

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